

**GOVERNMENT OF TELANGANA**

**ABSTRACT**

Agriculture & Cooperation Department – Fertilizers – Operational Guidelines on Fertilizers Supply, Distribution, Monitoring & Regulation for the year 2022-23 to all the Stake Holders – Orders – Issued.

= = = = =

AGRICULTURE & COOPERATION (AGRI-I) DEPARTMENT

**G.O.Rt.No.235**

**Dated:03-06-2022.**

**Read:**

From the Commissioner of Agriculture, Hyderabad, Lr.No.COMAG-Fert/FQC/98/2021-Fert, Dated 19-05-2021.

@ @ @

**ORDER:**

In the circumstances reported by the Commissioner of Agriculture, Hyderabad vide reference read above, Government after careful examination, hereby approve the following Operational Guidelines with respect of fertilizers for the year 2022-23.

**1. DISTRICT LEVEL SUPPLY PLAN:**

- 1.1 The Month-wise, Product-wise fertilizer supply plan for Urea, DAP, Complex and MoP is communicated to all the District Agriculture Officers and Fertilizer Manufacturers / Suppliers / MARKFED on the basis of monthly allotments received by the State from the Department of Fertilizers (DoF), Govt. of India.
- 1.2 On receipt of the monthly supply plan by the districts, the District Agriculture Officers shall prepare Mandal / Product / Manufacturer wise District supply plan of the Month. A copy of the same shall be submitted to the O/o C&DA within 3 days of the receipt of the supply plan.
- 1.3 This shall be based on areas likely to be covered / requirement as per the seasonal conditions but not based on indents or requisitions from individuals / institutions.
- 1.4 The District Agriculture Officers shall duly prioritize the needy areas of fertilizer requirement, based on the cropped areas / extent and the recommendations of the Soil Health Card and in turn communicate the allotments to the ADAs/MAOs.
- 1.5 All MACS, PACS, DCMS, ARSKs shall be treated as retailers.

**2. ALLOTMENT & SUPPLY FROM THE RAKE POINT:**

- 2.1 The district-wise allotment of the Urea received at each rake point will be communicated to the DAOs concerned, TS MARKFED and the Fertilizer Companies concerned from the Fertilizer Section, O/o C&DA, TS, Hyderabad, as below, through e-mail.

(PTO)

(Table-1)

SN	Rake Point	Name of the Company	Date of dispatch of Rake	Total Qty in the Rake (Mts)	Name of the District	Qty Allotted to each District (MTs)
1	2	3	4	5	6	7

- 2.2 The Rake Point Officer (RPO) should ensure the distribution as per the allotment issued by the C&DA at Rail Head and complete iFMS / RO Module invoicing within seven days after the rake is received.
- 2.3 On receipt of the District Urea allotment the DAOs shall obtain the approval of the Collector for the Mandal-wise and agency-wise allotment of the entire stock allotted to their district.
- 2.4 The allotment of Urea by the DAOs in the district shall follow the broad principle of **40% to MARKFED, 40% to the Private dealers and 20% to TS AGROS**.
- 2.5 In case the TS AGROS is unable to lift the allotted 20% quantity to them, then the DAO shall allot the balance between MARKFED and Private Dealers appropriately.
- 2.6 The DAO shall prepare agency-wise allotment shall be in the following format:

(Table-2)

SN	District	Name of the Mandal	Name of the Agency	Wholesaler / Retailer	Qty Allotted (MTs)
1	2	3	4	5	6

- 2.7 The DAOs shall communicate the approved mandal-wise and agency-wise allotment of Urea to the Rake Point Officer (RPO) concerned by e- mail and ascertain the receipts to their districts as per the agency-wise allotment. The Rake Point Officer (RPO) shall ensure the dispatches strictly as per District Collector approved allocations only.
- 2.8 In case, if the wholesaler to whom the allotment is made by the DAO with approval of District Collector, is not having godown point to move the stock in that district, the stock can be stored in the company godown itself at the Rake Point District.
- 2.9 The DAO of the Rake Point district shall give in writing to the godown In-Charge informing about the wholesaler stock of the concerned district stored in the company godowns, shall not be moved to any other district.

- 2.10 In case the company wholesaler intends to move the stock from the allotted district to other district, it shall be with the approval of the district DAO to whom the stock is actually allotted to.
- 2.11 The Rake Point Officer shall also ensure the stocks allotted to the wholesale dealers of the concerned districts who are not having godowns and stored at Rake Point godowns shall be moved to the allotted district only, through its retail dealers.
- 2.12 The Rake Point Officer shall enter the Rake arrival and grade-wise dispatch details along with quantities in Online Rake point Fertilizer Dispatches software. The Rake Point Officer is personally responsible to ensure that correct and complete data is entered in the online system. Instances of wrong entries will be identified and action taken expeditiously.

### **3. DISTRIBUTION & MOVEMENT:**

- 3.1 The District Agriculture Officers shall keep a close watch on the movement of rakes and if there is any delay in rake arrival / supplies, the farmers of concerned villages are to be kept informed and not put to inconvenience.
- 3.2 **The DAO shall ensure through the Fertilizer Inspectors that :**
  - 3.2.1 The Fertilizer Dealers display Stock board along with MRPs for the products without fail.
  - 3.2.2 Dealer shall advocate the use of Fertilizer based on Soil Health Card recommendations based on their land holding.
  - 3.2.3 The dealers including PACS / ARSKs shall not promote any specific brand to the farmers.
- 3.3 **TS MARKFED:**
  - 3.3.1 TS MARKFED shall procure and maintain buffer stocks of 6.00 LMT viz., 0.30 Lakh MT of DAP; 0.70 Lakh MT of Complexes and 5.00 Lakh MT of Urea to avoid any hardship to the farmers.
  - 3.3.2 MoP shall also be procured by TS MARKFED based on the indents from the PACS.
  - 3.3.3 The TS MARKFED should maintain district wise indicated buffer levels, while distributing to the needy, credible and active PACS, ARSKs regularly.
  - 3.3.4 **Maintenance of Buffer and its disposal:**
    - 3.3.4.1 **VANAKALAM:** The TS MARKFED should build its targeted buffers in the lean months ie, April to June and should be allowed for distribution by its members (PACS, ARSKs) from July to September.

(PTO)

- 3.3.4.2      **YASANGI**: Buffer may be built up from October to December and release from January to March.
- 3.3.4.3      This will help in drawing the allotments issued by the DoF during lean season and release of the same during peak season will help the timely availability of fertilizer and avoids piling of old stocks leading to caking.
- 3.4      The DAOs and MARKFED shall identify the available space at retail dealers / PACS & Others, in coordination, for decentralization and pre-positioning of fertilizers to build confidence among the farmers.
- 3.5      The DAOs shall identify sensitive pockets in their jurisdiction before the commencement of the season (Vaanakalam & Yasangi respectively) and submit a copy of the same to the O/o C&DA, TS, Hyderabad. The fertilizer requirement shall be assessed and arrange to position as per the requirement to the extent possible, in the identified sensitive areas by the DAOs.
- 3.6      The Handling and Transport Agency shall arrange to clearly demarcate the company stocks and MARKFED stocks in the godowns which are entered into agreement with companies and TS MARKFED. The MARKFED shall ensure the same. The ADA® concerned shall verify the same and report compliance to the DAOs by 5<sup>th</sup> of every month.
- 3.7      TS MARKFED shall exhaust the old DAP, Complex, Urea stocks available with them and shall replenish the stocks with fresh arrivals from time to time on the basis of First-In First-out principle and also maintain the district-wise buffers as indicated by the Commissioner of Agriculture.
- 3.8      Stocks shall not be allotted to PACs which are not financially sound / defaulters. Efforts shall be made by the TS MARKFED to bring all the PACS into functional mode before start of the season, in cooperation with District Cooperative Officers (DCOs).
- 3.9      The PACS / specified dealer shall not give more than the estimated quantity to a single farmer based on aacrage. The PACS shall sell the stock to the members as well as non- members of villages attached to that PACS.
- 3.10      Wherever there is no PACS / Dealer network, the alternative agency may be identified like FPO (Farmer Producer Organizations).
- 3.11      In case of products dispatched directly from the manufacturing point(s) by road movement, the in-charge Officials of the company must inform the destination points to the District Agriculture Officers of the respective districts about the product /Quantity / time of dispatch and likely arrival at the retail dealer points / PACS / ARSKs (with address).

- 3.12 The concerned DAO shall arrange to maintain the dealer-wise and mandal-wise receipts received by them through Road Movement.
- 3.13 The DAOs shall not insist on supply of particular brand/company product. The supply of products shall be as per availability and production undertaken by the manufacturers.
- 3.14 Creation of Awareness among the farmers on nutrient contents of various fertilizers and to discourage preference to a particular brand of a company is a continuous process by the Department.
- 3.15 No dealer is allowed to do manual sales of fertilizers. All sale of fertilizers to the individual farmers shall be based on Bio-Metric Authentication through e-PoS machine only.
- 3.16 To prevent inter-state unauthorized/ illegal movement of fertilizers, the border District Agriculture Officers shall entrust the concerned MAO to keep constant vigil in liaison with check post authorities.
- 3.17 The allotment of subsidized fertilizers as raw materials to NPK Mixing Units / Customized Fertilizer Grades (CFG) units shall be done by the District Agriculture Officers in accordance to the guidelines issued by the Government of India from time to time.
- 3.18 Any modification in the allotments given by the District Collector to wholesale / retail dealer shall be with specific permission by the district authority only.
- 3.19 All the Manufacturers and wholesalers must follow Direct Benefit Transfer (DBT) Module and raise invoices only through Release Order (RO-iFMS) Module on Real Time basis without any deviation.
- 3.20 It is the responsibility of the Mandal Agricultural Officer / Officer designated to intimate the farmers of those villages about the availability of fertilizers through tom-tom / electronic media / whatsapp groups / e-mails / **Rythu Vedikas** etc. The District Agriculture Officers shall keep a close watch on the movement of rakes and if there is any delay in rake arrival / supplies the farmers of concerned villages are to be kept informed and not put to inconvenience.
- 3.21 Wide publicity on availability of fertilizers shall be given in the local press / electronic media to allay the fears among the farmers and to avert panic buying by the farmers.
- 3.22 All the dealers, PACS, AGROS, MARKFED and others who are involved in the business of fertilizers shall maintain the list of farmers who received fertilizer village wise in each mandal.

#### **4. MONITORING:**

- 4.1 A Committee consisting of District Agriculture Officer, District Co-operative Officer, District Manager, (DM, TS MARKFED) , DM (AGROS) headed by the District Collector shall monitor supply of fertilizers to farmers by various agencies on regular basis. A Monthly meeting shall be convened by the District Level Monitoring Committee to review the Fertilizer position in the district.

(PTO)

- 4.2 District Agriculture Officers shall keep continuous contact with the manufacturing / supplying companies representatives at district level, specify the areas for supplying fertilizers in their business areas well in advance and monitor the supply.
- 4.3 The District Agriculture Officers at the district level shall organize fertilizer dealers' meet at district level during the 1<sup>st</sup> week of every month and coordinate the supplies with the fertilizer companies / suppliers involving DM AGROS and DM TS MARKFED, as per supply plan communicated to the district.
- 4.4 The District Agriculture Officers where the Rake Point is located and the Rake Point Officer concerned shall monitor and coordinate the unloading of rakes received in the districts within the stipulated time of 9 hours as per the Railway norms, in close coordination with the district administration.
- 4.5 The DAO shall make the rake allotment in consultation with the Fertilizer Company representative, MARKFED & AGROS well in advance, before rake reaches the destination, duly obtaining the approval of Collector.
- 4.6 The DAO of each district shall nominate one person, who will be responsible to send the report in the proforma communicated by the Office of Commissioner of Agriculture on daily basis by 2.00PM without fail.
- 4.7 The Notified Authority / ADA@s at divisional level shall ensure sales at every retailers point through PoS device only and monitor the acknowledgment of receipts by the Retail dealer in his jurisdiction.
- 4.8 Fertilizer Inspectors must visit all the Retailer outlets in their jurisdiction from time to time to ensure physical stock of Retailer Dealer match with PoS stock.

## **5. NUTRIENT BASED SUBSIDY:**

- 5.1 As per the "Nutrient Based Subsidy Policy" the per Metric Tonne subsidy of P & K fertilizers has been fixed by Department of Fertilizers, Govt. The details of Product-wise subsidies from time to time are available on the Official website of Department of Fertilizers (DoF)
- 5.2 The retail prices of P & K fertilizers will be decided by the Manufacturers/Companies. The Companies are required to print clearly on the fertilizer bags the following details :
  - 5.2.1 Maximum Retail price of the product (in Rs.)
  - 5.2.2 Applicable subsidy on the fertilizer (in Rs.)
- 5.3 Any sale of fertilizers over and above the printed MRP shall not be allowed and is punishable as per Act

## 6. REGULATION:

- 6.1 The Licenses of those dealers who are resorting to manual sale shall be cancelled by the respective Notified Authorities and the POS device available with that dealer shall be handed over to another needy dealer in the district.
- 6.2 Notices to inactive retailers who fail to do any transaction from past one year, that their licenses will be cancelled if they fail to operate the PoS machines, shall be given by the authorities concerned.
- 6.3 Since 2012, the fertilizers licensing is being done through OLMS and the manual process is dispensed off and the same shall be continued.
- 6.4 Tagging / Linking of products shall not be allowed.
- 6.5 Action against erring dealers for violating the provisions under FCO/EC ACT shall be taken immediately by the ADA@s concerned and a report shall be sent to O/o C&DA by 5th of every month.
- 6.6 The fertilizer inspectors shall inspect the retail outlets and ensure that the fertilizers are sold at Maximum Retail Prices printed on the bags.
- 6.7 The Fertilizer Inspector concerned shall also ensure that the subsidy fertilizers especially Urea meant for Agriculture purpose shall not be diverted to Industrial / commercial purpose.
- 6.8 The District Agriculture Officers shall obtain the product wise, Company wise MRPs (indicating the retail price, GST applicable & subsidy applicable separately) fixed and printed on the bags by the manufacturers.
  - 6.8.1 **Pre-season Inspections:** 100% verification of all the fertilizer licenced outlets shall be taken up by the districts duly forming internal squads before the commencement of season (Vaanakalam / Yasangi) to ensure that the dealers comply to the provisions of FCO, 1985.
  - 6.8.2 The DAOs shall submit consolidated compliance and Action Taken Report on conduct of 100% verification of all the Fertilizer Outlets in their respective jurisdiction by 10<sup>th</sup> June, (Vaanakalam) and 10<sup>th</sup> November, (Yasangi) in the proforma as given below:

**(Table-3)**

S N	District	Total No.of Fertilizer Dealer Outlets	No.of Fertilizer Outlets Inspected	Contra- ventions noticed	Details of Action Taken				Remarks
					No.of fertilizers samples drawn	Qty of fertilizer seized	Value of the seized Qty	Action taken on Licences	
1	2	3	4	5	6	7	8	9	10

(PTO)

6.8.3 Internal squads shall be formed / Decoy operations shall be organized as and when required for enforcement of FCO provisions to ensure the printing of prices on every bag, to monitor that on no account shall the fertilizer bags are sold over and above MRP and also to ensure compliance to the provisions of FCO by the dealers.

6.8.3.1 The request for inclusion of new godowns /amendment of Form-Os shall be processed and granted as per the procedures speedily whenever the stocks are moved to new godowns during peak season of Fertilizer movement by the concerned Notified Authority in their jurisdiction.

6.8.3.2 The fertilizer dealers shall ensure that, they possess valid licences and valid source of supply for doing the business duly attending to timely renewals / amendments as needed before the expiry of the Licence / source of supply in form-Os.

## 7. REPORTING:

7.1 Information on day-wise supplies from the manufacturers shall be collected, cross- checked with retailers about actual arrivals and sales to farmers and closing balances (ground stocks) shall be reported to the Commissionerate.

7.2 Daily Fertilizer availability report shall be submitted in the following proforma by the districts invariably without fail from District Monitoring Cell.

(Table-4)

SN	Product	Opening Balances in MTs	Receipts in MTS*	Total Availability in MTS	Sales MTS	Closing Balance MTS
1	2	3	4	5 (3+4)	6	7 (5-6)

\* Company wise product wise receipts to be furnished.

7.3 The above information shall be furnished for the stocks of UREA, DAP, Complexes, MoP, SSP available with Private Dealers (retailers & wholesalers dealers), Societies, MARKFED and Company Godowns.

7.4 Action against violators of FCO 1985 provisions shall be taken immediately and a consolidated report shall be submitted to the Commissioner of Agriculture, by 5<sup>th</sup> of every month without fail.

## Fertilizer Quality Control and Action Taken Report

(Table-5)

SN	District	No.of Licensed Premises	No.of Licensed Premises inspected	Contra ventions noticed	Qty Detained	Value in Rs.	Qty Seized	Value in Rs.	No.of Licenses		No.of 6A cases Booked	No.of other contraven tions noticed	Action Taken
									Can- celled	Suspen- ded			
1	2	3	4	5	6	7	8	9	10	11	12	13	14



**8. Mandatory use of e-PoS for sale of fertilizers:**

- 8.1. The department of fertilizers has implemented PoS based sales in fertilizers with effect from 1<sup>st</sup> Jan., 2018 in the State of Telangana where the sale of all fertilizers under Nutrient Based Subsidy Regime Policy is mandated through Point of Sale (PoS) machines only, which are installed at Retail Dealers (including societies), in the state of Telangana. No dealer shall carry on the fertilizer sales without e-PoS device entries.
- 8.2. At any given point of time, the physical stock available with the dealer shall match with PoS stock.
2. The Commissioner of Agriculture, Hyderabad shall take further necessary action accordingly.

**(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)**

**M. RAGHUNANDAN RAO  
APC & SECRETARY TO GOVERNMENT**

To

The Commissioner of Agriculture, Telangana State, Hyderabad.

Copy to:

The P.S. to Hon'ble Minister for (Agri & Coop).

The P.S. to APC & Secy. to Govt., A & C Department.

Sf/Sc.

**//FORWARDED ::BY ORDER//**

**SECTION OFFICER**